NSC BRIEFING

22 January 1957

NEAR EAST: JORDAN AID AGREEMENT

- I. ESS-Jordan "Solidarity Agreement" (19 Jan) is psychological boost for Nasr as Arab leader.
 - A. Nasr agreed eagerly Jordan's terms -- wanted quick signature.
- II. Significant terms:
 - A. Jordan to get L(E) 12.5 million (about \$36 million at official exchange).
 - B. Jordan will take military equipment -- of Arabs' "own production" -- in lieu of cash: "own production" phrase a sop to US.
 - 1. Egypt's "own production" may be UK seized from Suez Zone depots.
- III. Jordan prime minister has again promised terminate UK treaty.
 - A. UK is willing plans to end subsidy payments 31 March.
 - B. Arab press claims Arabs themselves thus filling local "vacuum", but of ESS trio only Saudis have hard cash.
 - C. Thus, potential opening exists for Soviet aid to Jordan, channeled through Cairo or Damascus.

25 YEAR RE-REVIEW

DOCUMENT NO.

NO CHANGE IN CLASS. EL

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